FISCAL NOTE

TO: Chief Clerk of the Senate

Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 16, 1996

SUBJECT: **HB 2746 - SB 3164**

This bill, if enacted, will allow the Department of Transportation to lower speed limits based upon roadway, traffic or other conditions. The same authority is given to cities and counties. According to TDOT by deleting TCA 55-8-152(g)(1) the bill will automatically raise the speed limit in certain areas to 65 miles per hour under T.C.A. 55-8-152(a).

The fiscal impact of this bill is estimated to increase state expenditures to the Highway Fund in order to change speed limit signs. The amount of increase cannot be determined but is estimated to be not significant.

The fiscal impact on local governments from enactment of this bill in and of itself is estimated to be minimal since the provisions of the bill are permissive. However, to the extent that local governments choose to change speed limits, there is estimated to be an increase in expenditures but such increase is estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James a. Downpot

James A. Davenport, Executive Director